

**NBK SPC LIMITED
AS ISSUER**

**DEED OF COVENANT
RELATING TO THE
U.S.\$5,000,000,000 GLOBAL MEDIUM TERM NOTE
PROGRAMME OF NBK SPC LIMITED
UNCONDITIONALLY AND IRREVOCABLY
GUARANTEED BY NATIONAL BANK OF KUWAIT
S.A.K.P.**

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THIS DEED OF COVENANT is made on 3 September 2021

BY:

- (1) **NBK SPC LIMITED** (the "**Issuer**")

IN FAVOUR OF:

- (2) **THE ACCOUNTHOLDERS** (as defined below); and
- (3) **THE PERSONS** for the time being and from time to time registered as holders of the Registered Notes referred to below (the "**Holders**" and, together with the Accountholders, the "**Beneficiaries**").

WHEREAS:

- (A) The Issuer proposes to issue from time to time global medium term notes guaranteed by the National Bank of Kuwait S.A.K.P. as the guarantor (the "**Guarantor**") (the "**Notes**", which expression shall, if the context so admits, include the Global Notes (in temporary or permanent form) and the Global Certificates to be initially delivered in respect of the Notes and any related Coupons, Receipts and Talons) under its U.S.\$5,000,000,000 global medium term note programme (the "**Programme**"). The Notes will be issued pursuant to an amended and restated fiscal agency agreement dated 3 September 2021 entered into by the Issuer, the Guarantor, Citibank N.A., London Branch as the fiscal agent (the "**Fiscal Agent**") and the other parties referred to herein (the "**Agency Agreement**").
- (B) In connection with the Programme, the Issuer and the Guarantor have prepared a base prospectus dated 3 September 2021 (the "**Base Prospectus**") which has been approved by the Central Bank of Ireland as a base prospectus issued in compliance with Regulation (EU) 2017/1129. Each Tranche of Notes will be issued pursuant to the Base Prospectus as completed by the Final Terms.
- (C) The Issuer wishes to make arrangements for the protection of the interests of Accountholders in the event that any Global Note and/or Global Certificate becomes void in accordance with its terms.
- (D) The Guarantor has, in relation to the Notes, entered into a deed of guarantee (the "**Deed of Guarantee**") dated on or about the date hereof.
- (E) The Issuer wishes to constitute the Registered Notes by deed poll.

THIS DEED OF COVENANT WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Deed of Covenant:

"**Accountholder**" means any accountholder or participant with a Clearing System which at the Determination Date has credited to its securities account with such Clearing System one or more Entries in respect of any Global Note and/or Global

Certificate, except for any Clearing System in its capacity as an accountholder of the other Clearing System.

"**Clearing System**" means each of DTC, Euroclear Bank SA/NV, Clearstream Banking S.A. and any additional or alternative clearing system approved by the Issuer, the Guarantor and the Fiscal Agent (together the "**Clearing Systems**").

"**Conditions**" means, in relation to the Notes of any Series, the terms and conditions endorsed on or incorporated by reference into the Note or Notes constituting the Series, the terms and conditions being in or substantially in the form set out in schedule 2 (*Terms and Conditions of the Notes*) to the Agency Agreement or in such other form, having regard to the terms of the Notes of the relevant Series, as may be agreed between the Issuer and the Guarantor, the Fiscal Agent and the relevant Dealer as supplemented by the applicable Final Terms.

"**Determination Date**" means the date on which any Global Note and/or Global Certificate becomes void in accordance with its terms.

"**Direct Rights**" means the rights referred to in Clause 4.1 (*Creation*).

"**Entry**" means, in relation to any Global Note and/or Global Certificate, any entry which is made in the securities account of any Accountholder with a Clearing System in respect of Notes represented by such Global Note and/or Global Certificate.

"**Principal Amount**" means, in respect of any Entry, the aggregate principal amount of the Notes to which such Entry relates.

Terms used in this Deed of Covenant but not defined in this Deed of Covenant have their respective meanings given to them in the Conditions and Agency Agreement.

1.2 **Contracts (Rights of Third Parties) Act 1999**

A person, except for a Beneficiary from time to time, who is not a party to this Deed of Covenant has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed of Covenant.

1.3 **Clauses**

Any reference in this Deed of Covenant to a Clause or sub-Clause is, unless otherwise stated, to a clause or sub-clause hereof.

1.4 **Headings**

Headings shall be ignored in construing this Deed of Covenant.

1.5 **Legislation**

Any reference in this Deed of Covenant to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same shall have been or may from time to time be amended or re-enacted.

1.6 **Contracts**

All references in this Deed of Covenant to an agreement, instrument or other document shall be construed as a reference to that agreement, instrument or other document as amended, supplemented, restated, extended, replaced or novated from time to time. In addition, in the context of any particular Tranche of Notes, each reference in this Deed of Covenant to the Base Prospectus shall be construed as a reference to the Base Prospectus as supplemented and/or amended by the relevant Final Terms.

1.7 **Benefit of Deed of Covenant**

Any Notes issued under the Programme on or after the date of this Deed of Covenant shall have the benefit of this Deed of Covenant but shall not have the benefit of any subsequent deed of covenant relating to the Programme (unless expressly so provided in any subsequent deed).

2. **THE REGISTERED NOTES**

The Issuer hereby constitutes the Registered Notes and the Issuer covenants in favour of each Holder of Registered Notes that it will duly perform and comply with the obligations expressed to be undertaken by it in each Global Certificate and Individual Note Certificate and in the Conditions (and for this purpose any reference in the Conditions to any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to this provision).

3. **DEPOSIT OF DEED OF COVENANT**

An original of this Deed of Covenant shall be deposited with, by or on behalf of, the relevant clearing system (in the case of Euroclear and Clearstream, Luxembourg, with Citibank N.A., London Branch as common depositary at the date of this Deed of Covenant) until the date on which all the obligations of the Issuer under or in respect of the Notes (including, without limitation, its obligation under this Deed of Covenant) have been discharged in full. The Issuer hereby acknowledges the right of every Beneficiary to the production of this Deed of Covenant.

4. **DIRECT RIGHTS**

4.1 **Creation**

If any Global Note and/or Global Certificate becomes void in accordance with its terms, each Accountholder shall have against the Issuer or Guarantor all rights ("**Direct Rights**") which such Accountholder would have had in respect of the Notes if, immediately before the Determination Date, it had been the Holder of a Definitive Note, duly completed, executed, authenticated and issued, in an aggregate principal amount equal to the Principal Amount of such Accountholder's Entries relating to any Global Note and/or Global Certificate including (without limitation) the right to receive all payments due at any time in respect of the Notes represented by such Definitive Note as if such Definitive Note had (where required by the Conditions) been duly presented and (where required by the Conditions) surrendered on the due date in accordance with the Conditions.

4.2 **No Further Action**

No further action shall be required on the part of the Issuer, the Guarantor or any other person:

- (a) for the Accountholders to enjoy the Direct Rights; or
- (b) for each Accountholder to have the benefit of the Conditions as if they had been incorporated *mutatis mutandis* into this Deed of Covenant,

provided, however, that nothing herein shall entitle any Accountholder to receive any payment which has already been made in accordance with the terms of any Global Note and/or Global Certificate.

5. **EVIDENCE**

5.1 **Records**

The records of the Clearing Systems shall, in the absence of manifest error, be conclusive as to the identity of the Accountholders and the respective amounts of Notes credited to their securities accounts and a statement issued by a Clearing System setting out:

- (a) the name of the Accountholder in respect of which it is issued; and
- (b) the Principal Amount of any Entry credited to the securities account of such Accountholder with such Clearing System on any date,

shall, in the absence of manifest error, be conclusive evidence for all purposes of this Deed of Covenant.

5.2 **Determination Date**

If a Clearing System determines the Determination Date, such determination shall be binding on the Issuer and all Accountholders with such Clearing System.

6. **WAIVER AND REMEDIES**

No failure to exercise, and no delay in exercising, on the part of any Beneficiary any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

7. **STAMP DUTIES AND OTHER TAXES**

The Issuer shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which are payable upon or in connection with the execution, performance and delivery of this Deed of Covenant, and shall, to the extent permitted by law, indemnify each Beneficiary against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation,

legal fees and any applicable value added tax) which it incurs or which is made against it as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

8. BENEFIT OF DEED OF COVENANT

8.1 Deed Poll

This Deed of Covenant shall take effect as a deed poll for the benefit of the Beneficiaries from time to time.

8.2 Benefit

This Deed of Covenant shall enure to the benefit of each Beneficiary and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed of Covenant against the Issuer.

8.3 Assignment

The Issuer shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder. Each Beneficiary shall be entitled to assign all or any of its rights and benefits hereunder.

9. SEVERABILITY

In case any provision in, or obligation under, this Deed of Covenant shall be or becomes invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation under the laws of any other jurisdiction, shall not in any way be affected or impaired thereby.

10. COMMUNICATIONS

Any communication in respect of this Deed of Covenant to the Issuer shall be by letter or fax to the Issuer at:

NBK SPC Limited
c/o Maples Fund Services (Middle East) Limited
Unit C1407, Level 14, Burj Daman
Dubai International Financial Centre
Dubai, 506734
United Arab Emirates

Fax no.: +971 4 511 4100
Attention: The Directors

or any other address of which written notice has been given to the Beneficiaries in the manner prescribed for the giving of notices in connection with the Notes. Such communications will take effect, in the case of a letter, when delivered or, in the case of a fax, when received. Communications not by letter shall be confirmed by letter but failure to send or receive the letter of confirmation shall not invalidate the original communication.

11. **ELECTRONIC SIGNING**

The Issuer acknowledges and agrees (and each Beneficiary expressed to have benefit of this Deed of Covenant is deemed to acknowledge and agree) that this Deed of Covenant may be executed by electronic means by the Issuer.

12. **GOVERNING LAW AND DISPUTE RESOLUTION**

12.1 **Governing Law**

This Deed of Covenant and any non-contractual obligations arising out of or in connection with this Deed of Covenant are governed by, and shall be construed in accordance with, English law.

12.2 **Arbitration**

Any dispute, claim, difference or controversy arising out of, relating to or having any connection with this Deed of Covenant (including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it) (a "**Dispute**") shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules (the "**Rules**") of the London Court of International Arbitration (the "**LCIA**"), which Rules (as amended from time to time) are incorporated by reference into this Clause 12. For these purposes:

- (a) the seat of arbitration shall be London, England;
- (b) there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party to the Dispute and shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the chairman of the tribunal. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly, shall each nominate one arbitrator. If one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and
- (c) the language of the arbitration shall be English.

12.3 **Appointment of Process Agent**

The Issuer irrevocably appoints Maples and Calder at its registered office at 11th Floor, 200 Aldersgate Street, London EC1A 4HD, United Kingdom as its authorised agent for service of process in England. If for any reason such agent shall cease to be such agent for service of process or ceases to be registered in England, the Issuer shall forthwith appoint a new agent for service of process in England and notify the Beneficiaries of such appointment in accordance with Condition 15 (*Notices*). The Issuer will procure that, so long as any of the Notes remains outstanding, a person with an office in London

shall be appointed to accept service. Nothing in this Deed of Covenant shall affect the right to serve process in any other manner permitted by law.

12.4 **Waiver of Immunity**

To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer agrees not to claim and irrevocably and unconditionally waives such immunity to the fullest extent permitted by the laws or such jurisdiction. Further, the Issuer irrevocably and unconditionally consents to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any Disputes.

13. **CURRENCY INDEMNITY**

An amount received or recovered in a currency other than the Specified Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise), by any of the Beneficiaries in respect of any sum expressed to be due to it from the Issuer will only discharge the Issuer to the extent of the Specified Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If that amount is less than the Specified Currency amount expressed to be due to the recipient under this Deed of Covenant, the Issuer will indemnify it against any loss sustained by it as a result. In any event, the Issuer will indemnify the recipient against the cost of making any such purchase.

14. **MODIFICATION**

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of this Deed of Covenant. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Beneficiaries.

15. **CORPORATE OBLIGATIONS**

Each Beneficiary acknowledges and agrees that notwithstanding any other provision contained herein, the obligations of the Issuer under this Deed of Covenant and the Notes are corporate or limited liability obligations of the Issuer and, no Beneficiary shall have any recourse against any of the directors, officers, employees or corporate services providers of the Issuer (the "**Limited Parties**") (nor shall any of the Limited Parties be personally liable for any claims, losses, damages, liabilities, indemnities, representations or other obligations whatsoever of the Issuer), under or in connection with the Notes, or this Deed of Covenant, save in the case of the wilful default or actual fraud of such Limited Party. Reference herein to wilful default or actual fraud means

a finding to such effect by a court of competent jurisdiction in relation to the conduct of the relevant Limited Party.

IN WITNESS WHEREOF the Issuer has caused this Deed of Covenant to be duly delivered as a deed the day and year first above mentioned.

Signatures to the Deed of Covenant

EXECUTED as a **DEED** by)
NBK SPC LIMITED)
acting by and acting under)
the authority of that company,)
in the presence of:)

.....
Witness Signature
Name: Jordan Hebert
Address: 1407 Burj Daman, DIFC, Dubai, UAE
Occupation: Assistant Vice President